

# **Town of Goffstown, New Hampshire**

## **Capital Improvements Program**



**Capital Improvements Program Committee**

**Handbook**

---

Adopted January 22, 2009

---

# **CIP Committee's Objectives and Policy**

## **Benefits of the Goffstown Capital Improvements Program**

The Goffstown Capital Improvements Program (CIP) is a valuable part of the planning process. It is not a “shopping list” or unrelated to land use planning or growth management strategies. Following are major benefits of the Capital Improvements Program to the community:

- Preserving public health, safety and welfare. Providing the basic services which ensure citizen health and safety is fundamental responsibility of local government. Programs of regular facility maintenance upgrades and expansion of government services to meet minimum federal, state and local standards are essential to any community. On the other hand, the cumulative effect of deferring major maintenance expenditures and basic improvement of essential services is often an expensive series of stopgap measures which fail to address comprehensive long-term needs.
- Anticipating the demands of growth. The capital improvements programming process supports the Goffstown Master Plan by anticipating investments in community facilities which are needed to serve or shape the pattern of growth and development.
- Building a foundation for growth management and impact fees. The Capital Improvements Program is a statutory prerequisite to the enactment of growth management and impact fee ordinances and an integral part of a land use regulatory process which implements these ordinances. The CIP is the principal resource for determining the growth-related share of capital costs which may be chargeable as impact fees; a growth management strategy and ordinance may link future development approvals to the local schedule for installation of particular utilities or services.
- Identifying “scattered and premature” development. New Hampshire statutes allow the Planning Board to adopt subdivision regulations which provide against scattered or premature subdivision of land. The Capital Improvements Program is one measure which the Planning Board may use to judge whether a development is scattered or premature based on an absence of essential public services, where the development could require excessive public expenditures to supply these services. The CIP may provide information needed for Planning Board policies requiring the provisions of capital facilities or services by developers of property in unserved areas.
- Supporting economic development. Sound fiscal health and high quality facilities and services are attractive to business and industry. Investment decisions in Goffstown will be influenced by the quality of life for the labor force and infrastructure to support the enterprise.
- Distribution of capital costs, avoiding undue tax increases and identifying funding. The Capital Improvements Program promotes a discussion of fairness in fiscal policy and the preferred means of distributing capital costs among projects.

The CIP is a means of avoiding the unpleasant surprise of expensive projects generating large property tax increases. While cost impacts can not always be precisely determined in

advance, the CIP fosters discussion of the distribution of the tax burden of new capital expenditures over time. A corollary benefit of fiscal stability and sound community facility planning may be an improved bond rating.

Finally, the portions of selected capital improvement expenditures which are necessitated by growth may be eligible for funding by impact fees as authorized in RSA 674:21. Further, besides property taxes, user fees may be advisable in some cases. Federal or state funds may also be available to help finance specific project costs or the cost of infrastructure improvements.

- Improving communication and coordination. Communication among the planning board, municipal departments, administrative officials, the budget committee, and citizens can result in cost savings and avoidance of duplication of facilities and expenditures. The Capital Improvements Program links local infrastructure investments with master plan goals, land use ordinances, and economic development. It bridges the gap between planning and spending, between the visions of the master plan and the fiscal realities of improving and expanding community facilities.

## Capital Improvements Program Applicable RSAs

**RSA 674:5 Authorization.** – In a municipality where the planning board has adopted a master plan, the local legislative body may authorize the planning board to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least 6 years. As an alternative, the legislative body may authorize the governing body of a municipality to appoint a capital improvement program committee, which shall include at least one member of the planning board and may include but not be limited to other members of the planning board, the budget committee, or the town or city governing body, to prepare and amend a recommended program of municipal capital improvement projects projected over a period of at least years. The capital improvements program may encompass major projects being currently undertaken or future projects to be undertaken with federal, state, county and other public funds. The sole purpose and effect of the capital improvements program shall be to aid the mayor or selectmen and the budget committee in their consideration of the annual budget.

**Source.** 1983, 447:1, eff. Jan. 1, 1984. 2002, 90:1, eff. July 2, 2002.

**RSA 674:6 Purpose and Description.** – The capital improvements program shall classify projects according to the urgency and need for realization and shall recommend a time sequence for their implementation. The program may also contain the estimated cost of each project and indicate probable operating and maintenance costs and probable revenues, if any, as well as existing sources of funds or the need for additional sources of funds for the implementation and operation of each project. The program shall be based on information submitted by the departments and agencies of the municipality and shall take into account public facility needs indicated by the prospective development shown in the master plan of the municipality or as permitted by other municipal land use controls.

**Source.** 1983, 447:1, eff. Jan. 1, 1984.

**RSA 674:7 Preparation.** –

I. In preparing the capital improvements program, the planning board or the capital improvement program committee shall confer, in a manner deemed appropriate by the board or the committee, with the mayor or the board of selectmen, or the chief fiscal officer, the budget committee, other municipal officials and agencies, the school board or boards, and shall review the recommendations of the master

plan in relation to the proposed capital improvements program.

II. Whenever the planning board or the capital improvement program committee is authorized and directed to prepare a capital improvements program, every municipal department, authority or agency, and every affected school district board, department or agency, shall, upon request of the planning board or the capital improvement program committee, transmit to the board or committee a statement of all capital projects it proposes to undertake during the term of the program. The planning board or the capital improvement program committee shall study each proposed capital project, and shall advise and make recommendations to the department, authority, agency, or school district board, department or agency, concerning the relation of its project to the capital improvements program being prepared.

**Source.** 1983, 447:1. 1995, 43:1, eff. July 2, 1995. 2002, 90:2, eff. July 2, 2002.

**RSA 674:8 Consideration by Mayor and Budget Committee.** – Whenever the planning board or the capital improvement program committee has prepared a capital improvements program under RSA 674:7, it shall submit its recommendations for the current year to the mayor or selectmen and the budget committee, if one exists, for consideration as part of the annual budget.

**Source.** 1983, 447:1, eff. Jan. 1, 1984. 2002, 90:3, eff. July 2, 2002.

## **Objectives of the Capital Improvements Program Committee**

The Goffstown Planning Board, with the consent and support of the Goffstown Board of Selectmen and the Goffstown School Board, hereby charges the Goffstown Capital Improvements Program Committee to deliver annually to the Planning Board a detailed report in accordance with the stated purposes of the Capital Improvements Program as defined by RSA 674:6, which:

1. Coordinates, unifies and facilitates accomplishment of the long-range Master Plan and capital improvement planning for the Town, School District, boards, commissions, committees, departments, districts, precincts, trustees and personnel.
2. Recommends the capital projects to implement 1. above for the ensuing fiscal year and a maximum of five years thereafter, depicting for each project:
  - The recommended time sequence for implementation.
  - The description and amounts of existing sources of funds, or probable additional sources and amounts of funds needed for implementation and operations.

To arrive at this report the Capital Improvements Committee is further charged to:

1. Review, clarify and prioritize goals, needs and recommendations identified in the Town's Master Plan and provide a recommended plan for implementing the projects and improvements necessary to affect those goals, needs and recommendations.
2. Identify the community's development goals, needs and priorities over the next six years and identify projects, capital improvements and other issues or items which must be addressed or implemented to reach those goals.
3. Review and analyze the financial consequences of the community's long range and capital improvement goals, needs and priorities and provide a recommended plan for financing.
4. Fulfill budgetary and land use planning responsibilities. Review and analyze the planning and decision making mechanisms used by the community in meeting its capital improvement needs and otherwise implementing its goals and priorities and provide a recommended planning and review process and procedure to coordinate existing personnel, committees, departments, budgets and projects.

Deliberations and recommendations of the Capital Improvements Committee shall be guided by the following intent:

- Enhance the public health, safety and general welfare of the citizenry by assisting the Planning Board with anticipating and planning the desirable development of Goffstown.
- Identify, encourage and recommend the appropriate, wise and efficient use of community and external resources and assets to implement the above.

## **Definition of Capital Improvements Projects**

The Goffstown Capital Improvements Program defines a capital improvement project as a major, rarely recurring expenditure which costs or commits at least \$25,000, before factoring external funding or fees, has an expected life of at least five years, and falls into one of the following categories:

1. The acquisition or lease of land or interests in land for public purpose.
2. To address the growth of the community and improve delivery of services to the citizens, the purchase, lease, construction, rehabilitation, or replacement of:
  - A building or physical facility.
  - Public infrastructure such as highways, sewer or water lines, or similar projects.
  - Equipment purchase, lease, replacement or refurbishing supporting the above.

In addition the following exceptional items, not subject to the above limits, are included in the CIP:

- The purchase or lease of wheeled vehicles, or motorized equipment having anticipated life of at least three (3) years, provided a Department maintains a written vehicle plan and submits same to the CIP Committee.
- The cost or obligation to conduct, prepare and present surveys or studies relative to the 1. or 2. above, if the total is at least \$10,000.
- Projects to come into immediate compliance with state or federal law or a court order.

Departments shall refer immediately any project to address an imminent danger or threat to public health, safety, property or government to the Goffstown Board of Selectmen (through the Town Administrator) or School Board (through the Superintendent of Schools), as appropriate, for decision and action. If the project duration exceeds the budget year and the remaining cost or obligation is at least \$25,000, before factoring external funding and fees, the item may be entered into the Capital Improvements Program.

Routine or annually recurring expenses or obligations for services to the community or maintenance of assets which are the mission and normal duties of a Department are not capital improvement projects, even when their individual or combined cost or obligation and/or duration is at least \$25,000 and/or 5 years.

The CIP Committee may return any project it determines is inconsistent with the objectives of the Capital Improvements Program or the Definition of Capital Improvement Projects.

Projects on the in-force Capital Improvements Program beyond the current budget year are not binding on the CIP Committee and must be re-submitted.

# **CIP Committee's Process**

## **Committee Term, Membership, Structure and Duration**

The Capital Improvements Program Committee is an ad hoc subcommittee of the Goffstown Planning Board.

The term of the CIP Committee begins with the appointment of members, which will occur at the first Planning Board meeting each May, and ends when the Committee's report is accepted by the Board. The Committee presents its recommendations to the Board each September.

The following Departments each nominate one representative to serve on the CIP for one term. The Planning Board is expected to make their appointments such that they are announced as stated above.

- Planning Board – serves as CIP Committee chair.
- Board of Selectmen
- Budget Committee
- School Board

In addition to these members, the Planning Board shall appoint at least three at-large members from the community, serving for one year, such that the total of CIP members is an odd number. Community members may be serving members of other local government bodies, but may not officially represent the organization. No more than two members of the CIP Committee may be members of a single government body.

## **Committee Procedures**

The Planning Board are requested to appoint its representative and the at-large community members and request the Board of Selectmen, Budget Committee and School Board appoint their representatives by May 1<sup>st</sup> each year.

The Planning Board ensures that all members are provided:

- Goffstown Master Plan
- Prior year's CIP Committee Report, updated with the current budget decisions.
- A copy of this handbook.

The CIP Committee chair coordinates a date, time and location for the first meeting and ensures members receive the above documents in advance or at the first meeting:

## **Department Project Submissions and Briefing**

The Capital Improvements Projects are those which meet the objectives of the Capital Improvements Program and fall within the Definition of Capital Improvements Projects in Section I. Projects, which do not meet these criteria, are returned to the Departments to be addressed within their operating budgets.

Submissions are made in writing on the form provided at the end of this handbook. Town departments and the water and sewer precincts/commissions should make all of their submissions by May 15<sup>th</sup> of each

year, allowing sufficient time for planning staff to create a draft CIP Matrix. The SAU should make their submissions by June 1<sup>st</sup> of each year.

The submission form is designed to help the Department describe how the project contributes to the Town's Master Plan, and the cost/benefits of the project. Further, the Departments provide a written justification of the project to preclude ambiguity.

Items on the in-force Capital Improvements Program approved by the Planning Board which are beyond the current budget year are not binding on the CIP Committee and must be re-submitted by the departments.

The Committee shall determine which department from which it would like presentations and the schedule for same. In addition, any Department may make an oral presentation to supplement its written submission. Committee members may question the department's representative(s) to fully understand the proposal and its implications and impacts and ask for additional, clarifying documents.

## **Deliberations and Recommendation**

The Committee enters the deliberation and recommendation phase after all Departments have submitted their proposals and have had the opportunity to make an oral presentation. The objective of the deliberation and recommendation phase is to produce a CIP Matrix and an annual report to the Planning Board, which ultimately satisfies the Planning Board's goals and the CIP Charter.

During deliberations the Committee gives consideration to (not limited to):

- Requirements of the applicable State RSAs.
- Specific guidance from the Planning Board
- Any guidance relating to the size of the CIP budget for the next budget years and/or out-years.
- The Town of Goffstown Master plan
- Department proposals (see forms), including:
  - How the department's proposal directly supports the Master Plan.
  - The description and project classification and duration of the proposal (see form).
  - The rigor to which the Department has analyzed and forecasted advance planning costs, engineering, special studies, environmental impact and land acquisition or other short-term investments which should be made.
  - Availability of external funding (e.g., matching state or federal funds).
  - The adequacy of data and justification supporting the proposal such as costs, benefits, implementation planning, operating costs, impact on other departments, risks, revenues and funding sources.
- The Committee's own assignment of priority and scoring of the proposal.
- Long-term contributions of the proposal to:
  - Preserving public health and welfare.
  - Anticipating the demand of growth.
  - Building a foundation for growth management and impact fees.
  - Improving communication and coordination among departments and between the departments and the citizens.
  - Creating synergies among the departments and within the community to improve the efficiency of operations and the effectiveness of expenditures.

- Avoiding undue tax increases.
- Developing a fair distribution of capital costs.
- Identifying scattered and premature development.
- The adequacy of facilities and infrastructure to handle the anticipated growth of the community – population, economic, industrial and commercial.
- Other advanced planning costs, engineering, special studies, land acquisition or other investments which should be made during the next six years to support the Master Plan or other long-term facility needs of the next 10-20 years.
- The need for capital reserve accounts to be established now to provide for improvements needed either within or beyond the 6-year CIP period.

## **CIP Committee Annual Report to the Planning Board**

The report, rendered in September, is the Committee's annual recommendation to the Planning Board and must comply with the intent and specifications contained in this handbook, plus any additional guidance issued by the Planning Board.

In making its recommendations, the Committee may:

- Return a new or previously submitted project to a Department as inconsistent with the objectives of the Capital Improvements Program and the Definition of Capital Improvement Projects.
- Alter the Department's classification for new projects.
- Alter project classification on the in-force CIP beyond the current budget year as well as revisiting costs, obligations, revenues and benefits.

The format of the Capital Improvements Program Committee recommendation at a minimum is a written matrix for the coming six budget years plus an oral statement of Department projects nominated but not accepted by the Committee. Projects years, which extend beyond the 6-year CIP period, are noted in the "Memo" column of the form. The CIP Committee Chair presents the recommendation to the Planning Board at a date, time and location determined by the latter; all CIP Committee members should be present to support the Chair.

Once approved by the Planning Board, the recommendation becomes the Goffstown Capital Improvements Program for the ensuing year, whose sole purpose and effect per RSA 674:5 shall be to aid the selectmen and the budget committee in their consideration of the annual budget.

## **Capital Project Worksheet and Department Submission Form**

The Capital Project Worksheet and Department Submission Form follows:

**TOWN OF GOFFSTOWN  
CAPITAL IMPROVEMENTS PROGRAM  
Capital Project Worksheet and Submission Form**

**Total Project Cost \$** \_\_\_\_\_

**Net Project Cost \$** \_\_\_\_\_

**Project Duration** (Years) \_\_\_\_\_

**Year Project First Proposed** \_\_\_\_\_

**Circle Project Classification**

Class I: Urgent      Class II: Necessary      Class III: Desirable      Class IV: Deferrable

**Funding** (list all sources, including user fees)

Source	Year 20__					
General Fund (Capital)						
General Fund (Operating)						
Trust or Reserve Fund						
Grant						
Bond						
Bond Payments						
Donations						
User Fees						
Impact Fees						
Other Off-Setting Revenues						
<b>TOTAL COST BY YEAR</b>						

Note type of other off-setting revenue: \_\_\_\_\_

**Cost Breakout by Effort** (for project duration or maximum of 6 years)

Feasibility study/risk assessment	\$
Architect, engineering, planning	\$
Real estate acquisition	\$
Legal costs (lawyers, permits, applications, etc)	\$
Site remediation	\$
Site preparation	\$
Construction	\$
Equipment and furnishings	\$
Vehicles and capital equipment	\$
Personnel (recruiting; initial training; salary, wages and benefits; etc)	\$
Other costs not shown above	\$

## Project Narrative

1. What is the purpose of this project?
  
2. Justification, for example: How does this project contribute to the objectives of the Capital Improvements Program? What Master Plan objective(s) does it project address? How does it support approved growth plans or help manage Town growth?  
[Use narrative; Do NOT just quote Master Plan Section numbers.]
  
  
  
  
  
  
  
  
  
  
3. How does this project, and its priority, relate to other project?
  
  
  
  
  
  
  
  
  
  
4. Additional Vehicle Narrative for each vehicle to be purchased: [Use additional sheets if necessary]
  - 1<sup>st</sup> Priority Vehicle
    - a) Vehicle Fixed asset # \_\_\_\_\_
    - b) Why replaced at this time?
  
    - c) Impact of a 1-3 year delay?
  
    - d) Estimated cost: \$ \_\_\_\_\_
    - e) Disposal plan?
  - 2<sup>nd</sup> Priority Vehicle
    - a) Vehicle Fixed asset # \_\_\_\_\_
    - b) Why replaced at this time?
  
    - c) Impact of a 1-3 year delay?
  
    - d) Estimated cost: \$ \_\_\_\_\_
    - e) Disposal plan?
  - 3<sup>rd</sup> Priority Vehicle
    - a) Vehicle Fixed asset # \_\_\_\_\_
    - b) Why replaced at this time?
  
    - c) Impact of a 1-3 year delay?
  
    - d) Estimated cost: \$ \_\_\_\_\_
    - e) Disposal plan?

---

Department Approval (signature)

(print)

(date)